for the revival of potentially viable units. The banks and financial institutions evolve rehabilitation packages for the revival of sick units.

(iv) Reserve Bank of India have also issued guidelines separately to the banks. indicating parameters within which banks could grant reliefs and concessions for rehabilitation of potentially viable sick units without reference to Reserve Bank of India both in the large and small scale sectors.

(v) Government of India has introc: Margin Money Scheme with a view to supplementing the efforts of the State Governments in reducing ' ience of sickness in the small scale sector. Under the liberalised scheme the maximum amount of assistance per unit available to sick small scale units for rehabilitation has been increased from Rs. 20, 000/- to Rs. 50, 000/-.

(vi) An Excise Relief Scheme for weak units has also been announced. The Scheme would apply to any unit in which 50% or more of the maximum net worth in any of the previous five accounting years has been eroded by accumulated losses. The unit should have a rehabilitation, modernisation or diversification package approved by a designated financial institution. The eligible unit would be entitled to an interest free loan, with a grace period. of 3 years and repayable over seven years, amounting to 50 % of its actual excise payments for three years subsequent to the approval of the scheme. The total amount given by way of such 'Excise Loans' will not exceed 25 % of the overall cost of rehabilitation/modernisation/ diversification.

(vii) A Small Industries Development Bank of India (SIDBI) has been established in April, 1990 to function as an Apex Bank for tiny and mall scale industries. The authorised capital of this bank will be Rs. 250 crores and will be sub-

Production Transfer right of the Advanced Jet Trainees to Hindustan Aeronautics Limited

HI6. SHRI PRAMOD MAHA-JAN: SHRI VIREN J. SHAH:

Will the PRIME MINISTER be pleased to state:

(a) Whether Government's attention has been drawn to the news-item which appeared in "The Economic Times" dated the 14th December, 1990 under the caption "Pussy footing by Government irks Northrop" on the possibility of India losing the opportunity of obtaining Production Transfer Right of the advanced jet trainer to the Hindustan Aeronautics Limited-— in view of the delays in responding to the offer of Northrop;

(b) whether it is a fact that Government needs a full cost proposal to make a decision; if so, what are the reasons for not formally declaring its intention to consider the proposal to obtain the full cost proposal from Northrop which it has promised to provide without any additional foreign exchange outgo; and

(c) what steps Government propose to take to gear up its decision making process to ensure that the HAL is not denied a strategically important production alternative?

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI LALIT VIJAY SINGH): (a) Yes, Sir.

(b) and (c) Yes, Sir. Before arriving at such a major decision, it is requir , ed to closely examine the comparative techno-economic viability of all available options. Process is underway to arrive at an acceptable solution in the best interests of the Air Force ' and our production agencies.